



Timika Shafeek-Horton
Deputy General Counsel
550 South Tryon Street
Charlotte, NC 28202

Mailing Address:
DEC 45A/PO Box 1321
Charlotte, NC 28201
704 382 6373 Direct
980 373 8534 Fax

Email Timika.Shafeek-Horton@duke-energy.com

February 22, 2013

VIA ELECTRONIC FILING

Jocelyn Boyd, Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: Docket No. 2012-384-E

Dear Mrs. Boyd:

Appendix B of the PEC depreciation study filed November 7, 2012, had an error. It did not include an adjustment to account for accelerated amortization on Clean Smokestacks projects when calculating the existing annual accrual amount. Consequently, the existing annual accrual amount that was compared to the proposed annual accrual amount to determine the difference in accrual amount was overstated. (In the original filing we stated the existing accrual amount was \$479.6 million. The correct accrual amount is \$457.4 million.) As a result, the net difference in accrual amount from the proposed rates to the current rates is an increase of \$9.8 million rather than a decrease of \$12.4 million as stated in the original filing. Changes to account for this oversight are reflected in the Executive Summary, page 2, and Exhibit B of the depreciation study. A corrected copy of the depreciation study is attached.

PEC apologizes for any inconvenience caused. If you have questions, please let me know.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Timika Shafeek-Horton', written in a cursive style.

Timika Shafeek-Horton

TSH/gw

Attachment

cc: Courtney Edwards, ORS
John Flitter, Director of Electric and Gas Regulation

Progress Energy Service Company, LLC
P. O. Box 1551
Raleigh, NC 27602